Decline in the investment in basic drug industry

801. SHRI N. B. BALARAM :
SHRI GURUDAS DAS GUPTA :

Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether it is a fact that investments in basic drugs manufacturing industry has slowed down, recently ; and

(b) if so, what are the details thereof and what action has been taken in this regard?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M. S. GURUPADASWAMY) : (a) No, Sir.

(b) Does not arise.

Losses to Eastern Coalfields Limited

802. SHRI GURUDAS DAS GUPTA :
SHRI CHATURANAN MISHRA :

Will the Minister of ENERGY be pleased to state :

(a) whether it is a fact that the Eastern Coalfields Limited has failed to limit its losses to the estimated Rs. 60 crores and instead suffered a loss of Rs. 200 crores during the first nine months of 1989-90 ;

(b) if so, what are the details thereof and what are the reasons therefor ; and

(c) what is Government's reaction thereto?

THE MINISTER OF ENERGY WITH ADDITIONAL CHARGE OF THE MINISTRY OF CIVIL AVIATION (SHRI ARIF MOHD. KHAN) : (a) and (b) The actual loss for the nine months period ending December 1989 is likely to be substantially higher than the loss of Rs. 88·5 crores for the same period as per budget estimates for 1989-90.

The main reasons for the higher loss are the failure to achieve the targeted production and the increase in costs on account of the implementation of the National Coal Wage Agreement IV which was finalised during the year 1989-90.

(c) Steps have been taken to tone up the management and assist the company to over-come constraints.

Expenditure on marketing campaign for Drugs

803. SHRI GURUDAS DAS GUPTA :
SHRI CHATURNAN MISHRA :

Will the Minister of PETROLEUM AND CHEMICALS be pleased to state :

(a) whether it is a fact that about 24 per cent of the drug prices are absorbed towards marketing campaign expenses well beyond the estimated 13 per cent spent on research and development ; and

(b) if so, whether Government have any plan to curb such expenses and bring the cost of durgs under control?

THE MINISTER OF PETROLEUM AND CHEMICALS (SHRI M.S. GURUPADASWAMY) : (a) and (b) Under DPCO, 1987, for controlled drugs, there is a Maximum Allowable Post-Manufacturing Expenses (MAPE) including trade margin which shall not exceed :

(i) Seventy five percent in the case of formulations specified in Category-I of the Third Schedule ;

(ii) One hundred percent in the case of formulations specified in Category-II of the said Schedule.

The manufacturers are required to adjust their profitability as well as expenses within the given MAPE. It is quite possible that in the cases of new products, the marketing campaign expenses might be on the higher side, at launching stage.

Transmission loss in supply of Electricity

804. SHRI SURENDRA SINGH THAKUR : Will the Minister of ENERGY be pleased to state :

(a) whether it is a fact that the transmission loss in supply of electricity in India is higher as compared to the advanced countries ;

(b) if so, what are the details in this regard ;

(c) in what manner Government propose to minimise this transmission loss ;

(d) whether Government have undertaken any project in this regard ; and

(e) if so, what are the details thereof?

THE MINISTER OF ENERGY WITH ADDITIONAL CHARGE OF THE MINISTRY OF CIVIL AVIATION (SHRI ARIF MOHD. KHAN) : (a) and (b) The Transmission and Distribution losses in India are about 22% which are comparatively high as compared to other advanced countries in the world, where these losses have been ranging between 6·11%.

(c) to (e) Comprehensive guidelines have been issued to the Power Utilities for reducing the losses. These include *inter-alia*, conducting energy audit for identifying the system elements responsible for excessive losses, installing capacitors to improve the voltage profile, preparation of system improvement schemes for strengthening and improvement of their transmission and distribution systems, installing tamperproof meter boxes to check theft of energy and setting up vigilance squads to detect cases of theft of energy. The theft of energy has been made a cognizable offence under the provisions of Section 39 of Indian Electricity Act, 1910. An Incentive Scheme was introduced by the Govt. of India with effect from the year 1987 for bringing about reduction in the Transmission and Distribution losses.

Based on the guidelines the Power Utilities have set up vigilance squads and have been formulating system improvement schemes to strengthen and improve their transmission and distribution systems. 19898 persons were prosecuted and punished with fine or imprisonment or both, during the years 1984-85, 1985-86 and 1986-87 for pilferage of energy. Prosecutions for the theft of energy were launched against 2023 persons during the year 1987-88. System Improvement Schemes in respect of 29 major urban areas have been prepared and these are under various stages of clearances/implementation.

Increase in the prices of Homoeopathic and Biochemic Medicines

805. SHRI SURENDRA SINGH THAKUR : Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state :

(a) whether Government are aware of manifold increase in the prices of Homoeopathic and Biochemic medicines during the last five years ; and